

January 19, 2006

Honorable James H. Welsh
Commissioner of Conservation
Department of Natural Resources
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

RE: Alternate Unit Well
FW-NB Zone, Reservoir A, SUA
IOWA FIELD
Calcasieu Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of Hilliard Petroleum, Inc. for the calling of a public hearing, after ten (10) days legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the FW-NB RA SUA, located in the Iowa Field, Calcasieu Parish, Louisiana, created by Office of Conservation Order No. 39-U-2, effective November 1, 2005.

1. To designate the Hilliard Petroleum, Inc. - Derouen No. 2 Well, located in Section 24, Township 9 South, Range 7 West, in the Iowa Field, Calcasieu Parish, Louisiana, as an alternate unit well for the FW-NB RA SUA.
2. To consider such other matters as may be pertinent to this application.

The designation of the Derouen No. 2 Well, as an alternate unit well for the captioned unit will aid in meeting the market demand for gas and condensate and will not cause any inequities to the Parties involved.

The FW-NB Zone, Reservoir A, in the Iowa Field, Calcasieu Parish, Louisiana, was previously defined in Office of Conservation Order No. 39-U-2, effective November 1, 2005.

There is attached hereto and made a part hereof a plat outlining the FW-NB RA SUA, the present unit well and the proposed alternate unit well. Pursuant to the Revised Rules of Procedure, a list of names and addresses of the Interested Owners, Interested Parties and Represented Parties to whom this application is being sent is being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list will be provided to any party requesting a copy. A diligent effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties as required by the Revised Rules of Procedure.

Finally there is enclosed our check on behalf of the applicant, Hilliard Petroleum, Inc. in the sum of \$755.00 payable to the Office of Conservation and representing the required hearing application fee.

Sincerely,

LEON E. COMEAUX & ASSOCIATES



Bill McAlister, Jr.

BMJr/cu
Enclosures

cc: Mr. Richard Hudson
District Manager
Office of Conservation
825 Kaliste Saloom Road
Brandywine III, Suite 220
Lafayette, Louisiana 70508-4284

Interested Parties, Interested
Owners and Represented Parties

